

**761—165.30(312) Project agreement.**

**165.30(1)** After the commission has approved funding for a recreational trails project, the department and the applicant shall execute a project agreement.

*a.* The department shall administer a project located on a primary road; however, the department by agreement may delegate part or all of this responsibility.

*b.* For all other projects, the agreement shall specify the responsibilities for project planning, design, land acquisition, contracting, construction and materials inspection, and documentation and the criteria for each. The agreement shall also specify the overall funding level approved and contain an estimated budget for eligible work items.

**165.30(2)** The department shall reimburse the authority for actual eligible project costs incurred as specified in the agreement, not to exceed the amounts authorized by the project agreement.

**165.30(3)** Project expenditures incurred after the commission has made a funding commitment, but before execution of the agreement, may be eligible for reimbursement if prior written authorization is obtained from the department and a project agreement is subsequently executed. However, under no circumstances shall any reimbursement be paid until the project agreement has been executed.

**165.30(4)** The department may audit all project costs incurred for compliance with the agreement, including costs that are part of the matching contribution. All force account work performed by a county or city on the project shall be audited.